Office Memorandum • UNITED STATES GOVERNMENT

TO :

The Director

DATE: 27 July 1948

THROUGH:

Assistant Director for Special Operations

FROM:

Office of the General Counsel

SUBJECT:

Allowances Payable to OSO Overseas Personnel

1. Title II, Section 204, of the Independent Offices Appropriation Act, 1949, provides, in pertinent part as follows:

"Appropriations of the executive departments and independent establishments for the fiscal year 1949, available for expenses of travel or for the expenses of the activity concerned, are hereby made available for living quarters allowances in accordance with the Act of June 27, 1930 (5 U.S.C. 118a), and regulations prescribed thereunder, and cost of living allowances similar to those allowed under section 901 (2) of the Foreigh Service Act of 1946, in accordance with and to the extent prescribed by regulations of the President, for all civilian officers and employees of the Government permanently stationed in foreign countries * * * *."

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- 2. In the past, regulations providing for the payment of quarters and cost of living allowances to civilian personnel stationed in foreign countries have been effected through circulars issued by the Bureau of the Budget. The classification of posts for living quarters allowances and cost of living allowances for the fiscal year 1947 was accomplished by Bureau of the Budget Circular A-8, Revised.
- 3. At the present time, Circular A-8 has not been reissued, and no basis exists for the payment of quarters and cost of living allowances to overseas personnel. The delay in issuing appropriate regulations results from a contemplated change in the issuing agency; namely, a proposed Executive Order to give the Department of State authority to fix quarters and cost of living allowances for all Federal workers stationed overseas.
- 4. At the present time, there is no legal basis for continuing quarters and cost of living allowances to OSO overseas personnel. If it is considered that nonpayment of overseas allowances will adversely effect the conduct of OSO operations overseas, a sufficient justification appears to exist for continuing payment of the allowances in accordance with the standards of Circular A-8, Revised. An informal check with the Department of State reveals that in most instances the overseas allowances will be adjusted upward, thereby minimizing questions of refund. Any overpayments can be handled simply by making the necessary adjustments on the succeeding payments.

5. If you approve of the procedure outlined above, will you please so indicate your approval in the space provided 50X1

50X1

JOHN'S, WARNER

DONALD H. GALLOWAY

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TRADULE - INC. XIN # - 1

7 July 1948

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

Attention: Executive for Administration and Management

SUBJECT: Rental of Hotel Training Sites

- 1. By authority of the Director, CIA, set forth in a memorandum dated 4 February 1947, the OSO Training Staff was authorized actual expenses up to \$8.10 per diem upon approval of the Chief, Training Staff, and up to \$10.00 per diem upon the approval of the undersigned; expenses above \$10.00 per diem were to be submitted to the Director for approval.
- 2. After examination of the record and consideration of all administrative procedures, it is proposed that the current procedure be cancelled and that a reduced per diem of \$4.50 be authorized for instructors occupying training site rooms. This recommendation is made in the interest of economy and efficiency.

s/ DONALD H. GALLOWAY Assistant Director Special Operations

APPROVED: JUL 13 1948

S/R.H. HILLENKOETTER
Rear Admiral, USN
Director of Central Intelligence

Signed Copy Filed in Authorizations